

Status of Labor-HHS-Education Appropriations at the Start of FY2018

October 11, 2017

Congress has begun to consider the FY2018 Departments of Labor, Health and Human Services, and Education, and Related Agencies (LHHS) appropriations bill. This is the largest (\$934 billion in FY2017) of the [12 annual appropriations bills](#) when accounting for both [mandatory and discretionary funding](#). Full-year FY2018 LHHS appropriations were not enacted before the start of the fiscal year (October 1), but a continuing resolution (P.L. 115-56; CR) has provided temporary LHHS funding through December 8.

Scope of the Bill

The LHHS bill provides annually appropriated budget authority for the [Department of Labor](#), the majority of the [Department of Health and Human Services](#) (except for the Food and Drug Administration, the Indian Health Service, and the Agency for Toxic Substances and Disease Registry, which are funded in other bills), the [Department of Education](#), and more than a dozen related agencies, including the [Social Security Administration](#) and the Corporation for National and Community Service.

Discretionary funds account for about 19% of total funds in the LHHS bill, yet this bill is typically the largest single source of nondefense discretionary funding for the federal government. (In general, mandatory funding represents about [81% of the total LHHS bill](#), supporting annually [appropriated entitlements](#) such as Medicaid and Supplemental Security Income.) Discretionary spending programs tend to receive the most attention during the appropriations process because this process controls amounts provided to these programs; the authorizing process generally controls amounts needed for mandatory spending programs.

FY2018 Congressional Action

The FY2018 appropriations process has been affected by the presidential transition from the Administration of President Barack H. Obama to the Administration of President Donald J. Trump, occurring in January 2017. As a result of this [transition](#), the submission of the full [FY2018 President's Budget](#) was delayed until May 23. The FY2018 process also has been affected by the late enactment of annual FY2017 appropriations—which occurred on May 5 ([P.L. 115-31](#)). Consequently, final FY2017 appropriations levels were largely unknown as the FY2018 budget was formulated, and consideration of FY2018 appropriations began shortly after FY2017 appropriations were finalized.

In addition, the House and the Senate have not yet agreed to a [budget resolution](#) for FY2018, which is how a procedurally enforceable limit on LHHS funding would usually be determined. Instead, each Appropriations Committee has released interim discretionary spending levels for each of the 12

appropriations bills. However, neither the House “[revised interim suballocations](#)” nor the Senate “[funding guidance](#)” is enforceable [in the absence of a budget resolution](#).

Full-Year LHHS Actions in the House and Senate

The House Appropriations LHHS subcommittee approved its draft bill and report language on July 13. (The subcommittee also released a [bill summary](#).) The full committee markup was held on July 19, and the bill was ordered to be reported that same day (28-22). The bill was subsequently reported to the House on July 24, as H.R. 3358. The committee report (H.Rept. 115-244) includes a [detailed table](#) summarizing the funding provided in the bill and set aside through report language.

On September 6, the House took up an omnibus appropriations measure that contained LHHS appropriations (Division F of H.R. 3354, which was largely identical to the text of H.R. 3358). Of the LHHS amendments offered, 35 were adopted, 15 were rejected, and 2 were withdrawn. On September 14, the House passed H.R. 3354, as amended, 211-198. Action on this measure has not occurred in the Senate.

In the Senate, on September 6, the LHHS Appropriations subcommittee marked up its draft of the bill and released a summary of [bill highlights](#). The following day, the full committee marked up the draft, and approved it, 29-2 (S. 1771). The committee report (S.Rept. 115-150) includes a [detailed table](#). The bill has not received further consideration in the Senate.

Continuing Resolution

A CR (H.R. 601; P.L. 115-56) was enacted on September 8 providing continuing appropriations for LHHS through December 8. In general, discretionary programs [covered](#) by the act are funded under the same conditions and at the same [rate](#) as FY2017, minus an across-the-board reduction of 0.6791%. [Sections 101\(a\)\(8\), 114, and 135-139](#), contain “[anomalies](#)” or other special provisions affecting specific LHHS programs or funding streams. These are discussed in [CRS Report R44978](#).

Table 1 displays the status of FY2018 LHHS discretionary appropriations. Relative to FY2017, H.R. 3354 would decrease discretionary LHHS appropriations by almost \$5.0 billion (-3%), while S. 1771 would increase discretionary LHHS appropriations by about \$3.0 billion (+2%). When accounting for anomalies and the across-the-board reduction, the total annualized funding level provided by the CR reflects an increase of nearly \$3.3 billion (+2%) from FY2017.

Table 1. FY2017 and FY2018 LHHS Discretionary Appropriations

(Budget authority in billions)

	FY2017 Comparable	FY2018 House (H.R. 3354)	FY2018 Senate Cmte. (S. 1771)	FY2018 Annualized CR (P.L. 115-56)
Regular Appropriations	161.025	156.040	164.066	164.282
Appropriations with Program Integrity Adjustments	162.985	157.936	165.962	166.242

Source: Table prepared by CRS based on Congressional Budget Office estimates (see [FY2017 Comparable](#), [FY2018 House](#), [FY2018 Senate Committee](#), [FY2018 CR](#)).

Notes: Regular appropriations reflect current-year discretionary budget authority subject to spending limits. Adjusted appropriations include certain program integrity appropriations for which special budget rules apply. Totals do not include funds provided under certain 21st Century Cures Act (P.L. 114-255) authorities that are effectively exempt from the spending limits (\$852 million for FY2017 comparable, \$996 million for the House bill and the FY2018 Senate Committee bill, and \$846 million for the FY2018 CR). These sources do not provide information on mandatory LHHS appropriations.

Additional Resources

For more information on the status of FY2018 appropriations as a whole, see the CRS Appropriations Status Table: FY2018. In addition, more reports addressing key funding questions for the programs and agencies funded by the LHHS appropriations bill are available on the CRS website.

Table 2.CRS LHHS Appropriations Contacts

Department or Agency	Name
Department of Labor	David Bradley
Department of Health and Human Services	Karen Lynch Jessica Tollestrup
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